GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

MINES & MINERALS - Considering Renewal period of Mining Lease for Manganese Ore over an extent of 29.48 Ha in Poram RF Block-II in Chinthalavalasa Village, Ramabhadrapuram Mandal, Vizianagaram District in favour of Smt Y.Suvarchala as 50 years from 30-8-1957 to 29-8-1977 (20 years) and 27-8-1997 to 26-8-2027 (30 years) duly excluding the gap period of non possession of lease period - Orders - Issued.

INDUSTRIES & COMMERCE (M.III) DEPARTMENT

G.O.MS.No.13 Date:10/03/2021

Read the following:-

1. G.O.Ms.No.391, Ind. & Com Dept., dt.24.04.1957.
2. G.O.Ms.No.804, Ind. & Com Dept., dt.19.09.1969.
3. G.O.Ms.No.150, Ind & Com Dept., dt.04.03.1978.
4. G.O.Ms.No.38, Ind & Com Dept., dt.25.02.1995.
5. G.O.Ms.No.42, Ind & Com Dept., dt.06.03.1997.
6. From the DM&G, A.P., F. No. 12224/R1-2/2017, dt.20.11.2017.
7. Govt. Lr.No.11006/M.III(2)/2017, dated 08.02.2018 and reminder dt.08.11.2018.
8. From the Ministry of Mines, Govt., of India, Letter No.7/34/2018-M.II, dt.18.03.2020.
9. From M/s Girija Manganese Mine, Representation dt.28.05.2020.
10. Govt. Memo No:MG0MAJM(VZM)/1/2020-M-III, Dt:28.07.2020.
11. Orders of the APHC in W.P.No.18330/2020, dt.09.10.2020.
12. From the DM&G, AP., Lr.No:3706524/D2/2020, Dt:07.01.2021.

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O R D E R :

In the G.O.1st read above, the Government have granted a Mining Lease for Manganese for a period of 20 years in favour of Sri P.Subhadra Raju over an extent of 267.00 Acres in RF Poram Block-II in Chinthalavalasa Village, Salur Taluq of erstwhile Srikakulam District. Lease deed was executed on 30-08-1957 and the lease was in force up to 29-08-1977.

2. In the G.O.2nd read above, the Govt., have transferred the subject lease in favour of Sri Y.V.Krishna Rao for the un-expired portion of the lease period i.e. upto 29-08-1977.

3. In the G.O.3rd read above, the Govt., have rejected the application filed by Sri Y.V.Krishna Rao, dt.27.08.1976 for grant of 1st renewal on the ground that the Manganese bearing areas in Srikakulam & Vizianagaram Districts were reserved in favour of M/s.SAIL in G.O.Ms.No.5, dt.05-01-1978. Subsequently, the lease holder approached the Central Government to set-aside the orders of the State Government. Accordingly, Ministry of Steels & Mines, GoI vide Lr.No.5(36)/85-M.V, dt.14-01-1987, set-aside the above orders of State Government and remanded the case to the State Government with a direction to decide the case afresh.

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4. In the meantime, the Forest Conservation Act, 1980 came into force, according to which prior approval of Govt. of India is required for diverting forest land for non forestry purpose. The State Government, in the G.O. 4th read above, has accorded approval for renewal of Mining Lease over the broken up area of 29.48 Hectares of Forest land in Forest Block-II of the Poram Reserve Forest of Vizianagaram District for extraction of Manganese Ore on 20 years lease in favour of Sri Y.V.Krishna Rao.

5. Accordingly, in the G.O.5th read above, the Govt., have granted 1st Renewal of the subject lease for a period of 20 years with effect from the date of execution of renewal lease deed in favour of Sri Y.V.Krishna Rao. The renewal lease deed was executed on 27-08-1997 for the period up to 26-08-2017.

6. As the matter stood thus, Sri Y.V.Krishna Rao, the lease holder expired on 11-08-2006 and the ADM&G, Vizianagaram, vide his Procd.No.760/M/1997, dt.10-10-2006, declared Sri Y.P.Rama Rao as the successor lessee to Sri Y.V. Krishna Rao. Subsequently, Sri Y.P.Rama Rao also expired on 25-01-2017 and Smt. Y.Suvarchala, the widow of Sri Y.P. Rama Rao has been declared as successor lessee, vide Procd.No.760/M/1997, dt.23-08-2017 of the ADM&G, Vizianagaram.

7. Due to the commencement of the MM(D&R) Act, 2015, the State Govt., in the letter 7th read above, has requested the MoM, Govt of India to grant extension of Mining lease period upto 26-08-2027 duly exempting the gap period as per the provisions under section 8 (A) of MM(D&R) Amendment Act, 2015 in respect of the subject Mining Lease since the subject area was not under the physical possession of the lease holder for a period of 19 years 11 months and 29 days from 30-08-1977 to 26-08-1997 for the reasons beyond their control.

8. In turn, in the letter 8th read above, the Ministry of Mines, Govt., of India has advised to take necessary action as per Section 8A(6) of MM (D&R) Act, 2015.

9. In the letter 12th read above, the Director of Mines & Geology, A.P., who examined the above issue, has reported that the Manganese available in the area is mostly low grade (18% to 22%) and it may not be economically viable for conducting auction for this area. As per the mining plan submitted, the area is having reserves of 2,56,198 MTs approved by IBM. The present lessee dispatched average quantity for the last 4 years is about 5000 MTs per year out of which 90% is low grade and 10% high grade fetching a revenue 0f only Rs.8,18,500/- towards royalty in addition GST(5%), income tax to the Government. State-wise, Andhra Pradesh account for 4% of total reserves after Orissa 40%, Karnataka 20%, Madhya Pradesh 11%, Maharastra 8%. In recent times, for auctions conducted for mineral blocks of Iron ore and manganese in Orissa State there is lukewarm response. Iron ore is blanket deposit whereas manganese is pocket deposit. Further, he has reported that three beneficiation units were established in the name Thirupathi Infra with MDL.No.0103006435 creating direct and indirect employment for 200 labour near to the mine for upgradation of grade of mineral with an investment of 4.00 Crores as value addition industry in the interest of mineral development.

10. The Director of Mines & Geology, A.P., has, therefore, recommended to consider the renewal period as 50 years from 30-8-1957 to 29-8-1977 (20 years) and 27-8-1997 to 26-8-2027 (30 years) duly excluding gap period of non possession of lease period (19 years, 11 months and 29 days from 30-8-1977 to 26-8-1997) during which the area was

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reserved for M/s SAIL in view of the instructions issued by the Government of India, Ministry of Mines in the letter 8th read above and orders issued by the Hon'ble High Court of A.P., in W.P., in 11th read above to take action on the representation dated 28.05.2020 of the lessee as per rule 8 (A) 6 of MM (D&R) Act, 2015.

11. Government, after careful examination of the matter, in the light of the instructions issued by the Government of India, Ministry of Mines in the letter 8th read above and the said orders issued by the Hon'ble High Court of A.P., and the circumstances reported by the Director of Mines & Geology, A.P., hereby consider the renewal period as 50 years from 30-8-1957 to 29-8-1977 (20 years) and 27-8-1997 to 26-8-2027 (30 years) duly excluding the gap period of non possession of lease period (19 years, 11 months and 29 days from 30-8-1977 to 26-8-1997) during which the area was reserved for M/s SAIL, under Section 8 A (6) of MM(D&R) Act, 2015, subject to satisfaction of all other terms and conditions laid down under the MM(D&R) Amendment Act, 2015 and the Rules made thereunder and subject to satisfaction of standing instructions and guidelines issued by the Govt. of India and State Government from time to time.

12. The Director of Mines & Geology, Government of Andhra Pradesh, Vijayawada shall take necessary action accordingly in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

GOPAL KRISHNA DWIVEDI
PRINCIPAL SECRETARY TO GOVERNMENT (MINES)

To
The Director of Mines & Geology, Vijayawada(w.e.file).
The Prl., Chief Conservator of Forests, Aranya Bhavan, K.M. Munshi Road, Nagarampalem, Guntur-522004, Andhra Pradesh.
Smt. Y.Suvarchala,
Balaji Nagar Cantonment, Vizianagaram.

Copy to:
The Zonal Joint Director of Mines & Geology, Visakhapatnam District.
The Assistant Director of Mines & Geology, Vizianagaram District.
The District Collector, Vizianagaram district.
The Secretary to Govt. of India, Ministry of Mines, Sastry Bhavan,
New Delhi-110001.
The Secretary to Government of India, Ministry of Forest, New Delhi
The Controller General, Indian Bureau of Mines, Indira Bavan,
Civil Lines, Nagpur - 440001.
The Director General, Mines Safety, Dhanbad, Jarkand.
The Regional Controller of Mines, Koti, Hyderabad.
The EFS&T Dept.
SF//SCs (C.No. MG0MAJM(VZM)/1/2020-M-III (Computer No. 1154914)

//FORWARDED::BY ORDER//

SECTION OFFICER